

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In RE:

SAGERHORN, JEFFREY G.,
SAGERHORN, SHELLY RAE,
Debtors.

Case No.: 04-60285
Chapter 7

NOTICE OF MOTION AND MOTION OBJECTING TO EXEMPT PROPERTY

TO: The United States Bankruptcy Court, the United States Trustee, the Debtors, the Debtors' attorney, and all parties who requested notice under Bankruptcy Rule 2002.

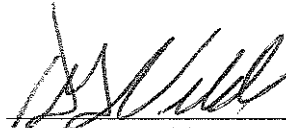
1. David G. Velde, Trustee of the bankruptcy estate of the above-named debtors moves the court for the relief requested below and gives notice of hearing.
2. The Court will hold a hearing on this motion at 10:30 a.m. on June 22, 2004, in US Bankruptcy Court, 204 US Courthouse 118 South Mill Street, Fergus Falls, Minnesota.
3. Any response to this motion must be filed and served not later than June 11, 2004, at 10:30 a.m., which is seven days before the time set for the hearing (excluding Saturdays, Sundays, and legal holidays), or filed and served by mail not later than June 8, 2004, which is ten days before the time set for the hearing (excluding Saturdays, Sundays, and legal holidays). **UNLESS A RESPONSE OPPOSING THE MOTION IS TIMELY FILED, THE COURT MAY GRANT THE MOTION WITHOUT A HEARING.**
4. This court has jurisdiction over this motion pursuant to 28 U.S.C. §§157 and 1334. This proceeding is a core proceeding. The petition commencing this Chapter 7 case was filed on March 14, 2004. The case is now pending in this Court.
5. This motion arises under 11 U.S.C. § 522, and Bankruptcy Rule 4003 and Local Rule 4003-1(a). This motion is filed under Bankruptcy Rule 9014 and Local Rule 9013-1. Movant requests relief with respect to debtors' claims for exemption.

6. Debtors have claimed as exempt the following assets which the trustee objects to as follows: real estate described as part of Government Lot Four (4), Section Five (5), Township One Hundred Thirty-three (133) North, Range Thirty-nine (39) West, Otter Tail County, Minnesota valued at \$67,000 claimed exempt under 11 USC § 522(d)(1) and cash on hand valued at \$50, bank accounts valued at \$300, Marlin 22 rifle valued at \$40, old fishhouse valued at \$100, Remington 12 gauge shotgun valued at \$150, Remington 30.06 deer rifle valued at \$300, 2003 tax refunds valued at \$2,000, 1993 Ford Taurus valued at \$500, 1971 14 foot Lund boat, 1971 6hp Johnson motor and trailer valued at \$500, 16 foot trailer valued at \$500, misc. jacks, blocks, handles, tools for moving houses and granary construction valued at \$4,000, and power tools, saws, drills, generator and air compressor valued at \$2,500, all claimed exempt under 11 USC § 522(d)(5) and old lake cabin valued at \$2,500 claimed exempt under 11 USC § 522(d)(5) and (6).

7. The trustee objects to the debtors' claim of exemption on the following basis: The trustee believes the debtors understated the value of the real estate and therefore consumed and exceeded any amount available under 11 USC § 522(d)(5). The lake cabin is not a tool of trade and therefore cannot be claimed exempt under 11 USC § 522(d)(6).

WHEREFORE, the Applicant moves the court for an order sustaining trustee's objection to claimed exempt property and such other relief as may be just and equitable.

Date: 5/4/04



David G. Velde, Trustee
1118 Broadway
Alexandria, MN 56308
(320) 763-6561

Verification. I, David G. Velde, the moving party named in the foregoing notice of hearing and motion, declare under penalty of perjury that the foregoing is true and correct according to the best of my knowledge, information and belief.

Date: 5/4/04



David G. Velde

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In RE:

SAGERHORN, JEFFREY G.,
SAGERHORN, SHELLY RAE,
Debtors.

Case No.: 04-60285
Chapter 7

ORDER

At Fergus Falls, Minnesota, _____, _____.

Upon the Objection to Claimed Exempt Property filed by the Trustee and upon all the files and records of the proceedings herein,

IT IS ORDERED:

1. The debtors' real estate described as part of Government Lot Four (4), Section Five (5), Township One Hundred Thirty-three (133) North, Range Thirty-nine (39) West, Otter Tail County, Minnesota valued at \$67,000 claimed exempt under 11 USC § 522(d)(1) is not exempt to the extent it exceeds the amount available to the debtor under the cited statute.

2. The debtors' cash on hand, bank accounts, Marlin 22 rifle, old fishhouse, Remington 12 gauge shotgun, Remington 30.06 deer rifle, 2003 tax refunds, 1993 Ford Taurus, 1971 14 foot Lund boat, 1971 6hp Johnson motor and trailer, 16 foot trailer, misc. jacks, blocks, handles, tools for moving houses and granary construction, and power tools, saws, drills, generator and air compressor all claimed exempt under 11 USC § 522(d)(5) are not exempt.

3. The debtors' old lake cabin valued at \$2,500 claimed exempt under 11 USC § 522(d)(5) and (6) is not exempt.

Judge Dennis D. O'Brien
US Bankruptcy Court

STATE OF MINNESOTA)
) ss.
COUNTY OF DOUGLAS)

Julie A. Dolman, of the City of Alexandria, County of Douglas, in the State of Minnesota, being duly sworn, says that on the 4th day of May, 2004, she served the attached Notice of Motion and Motion Objecting to Exempt Property and proposed Order, by electronically filing with:


US Bankruptcy Court
204 PO Building
118 S. Mill Street
Fergus Falls MN 56537

and mailing to a copy thereof, enclosed in an envelope, postage prepaid, and by depositing same in the post office at Alexandria, Minnesota, directed to said at:

Habbo G. Fokkena
US Trustee
1015 US Courthouse
300 South Fourth Street
Minneapolis, MN 55415

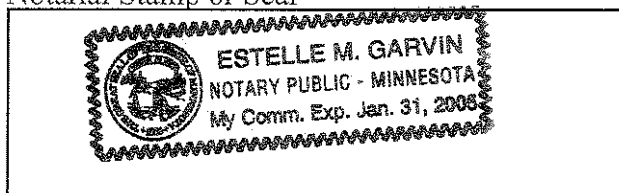
Allen Haugrud
Attorney at Law
P.O. Box 697
Fergus Falls, MN 56538-0697

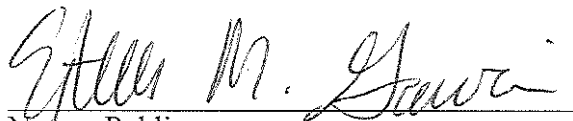
Jeffrey and Shelly Sagerhorn
42001 - 270th Street
Battle Lake, MN 56515


Julie A. Dolman

Subscribed and sworn to before me this 4th day of May, 2004.

Notarial Stamp or Seal




Notary Public